

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Shri Ashok Basu, Chairperson**
- 2. Shri Bhanu Bhushan, Member**

**Petition No.97/2006**

**In the matter of**

Application for grant of transmission licence to Torrent Power Transmission Private Limited

**And in the matter of**

Torrent Power transmission Company Pvt. Ltd                      ....**Applicant**

**The following were present:**

1. Shri M.G. Ramachandran, Advocate
2. Shri Deepak Dalal, TPTPL
3. Shri Mohan Ram, TPTPL
4. Shri Markand Bhatt, TPTPL
5. Shri Sudhir Shah, TPTPL
6. Shri Vibhuti, TPTPL
7. Shri Dilip Rozekar, PGCIL/CTU
7. Shri Rajiv Mohan, PGCIL/CTU

**ORDER  
(DATE OF HEARING : 31.10.2006)**

The application has been made for grant of licence for construction and maintenance of the transmission lines and other facilities (hereinafter referred to as “the transmission system”) for evacuation of power from 1100 MW Sugan Combined Cycle Power Project at Akhakol in the State of Gujarat, being set up by Torrent Power Generation Ltd., (TPGL) to the beneficiaries in Ahmedabad and outside the State. The applicant is a joint venture company promoted by

Torrent Power AEC Ltd (TPAL) and Power Grid Corporation of India Ltd (PGCIL).

2. TPGL, the generating company, is stated to have applied for open access to the Central Transmission Utility (CTU) for evacuation of power. However, it is stated that in view of the capacity constraints, it was not found possible to use the existing transmission lines for this purpose. The applicant has placed on record a copy of the minutes of the meeting held by Secretary, Ministry of Power on 25.8.2005. In the said meeting, PGCIL is stated to have agreed to form a joint venture with TPGL to construct the transmission system with 26% of equity, and the balance 74% of equity by TPGL. The cost of the transmission system is stated to be Rs.471.78 crore.

3. PGCIL in its capacity as CTU has recommended grant of licence to the applicant.

4. We have heard Shri M.G. Ramachandran, Advocate, for the applicant and also the representative of CTU.

5. Before the Commission proceeds to examine further the application for grant of licence, it is necessary to have clarifications on the following issues, namely:

- (a) Whether the transmission system forms part of the transmission plan prepared by CEA;
- (b) Whether formation of JV between TPAL and PGCIL is in line with guidelines issued by Ministry of Finance on 12.1.2006, according to which for projects costing more than Rs.100 crore, JV partner is to be selected through competitive bidding;
- (c) Whether execution of the transmission system by the applicant is in accord with the guidelines issued by the Central Government in Ministry of Power on execution of transmission projects through competitive bidding;
- (d) Reasons for inability of PGCIL to construct the transmission line;  
and
- (e) Whether formation of JV between TPAL and PGCIL is in conformity with the view expressed by PGCIL in the meeting held on 25.8.2005 that JV would be between TPGL and PGCIL.
6. The clarifications on above issues will be furnished by CTU after obtaining views of the Central Government. An affidavit for this purpose shall be filed latest by 15.12.2006. Simultaneously, a copy of the order shall also be sent to the Secretary, Ministry of Power.
7. List this petition for further hearing on 21.12.2006.

Sd/-  
**(BHANU BHUSHAN)**  
**MEMBER**

Sd/-  
**(ASHOK BASU)**  
**CHAIRPERSON**

New Delhi dated the 15<sup>th</sup> November 2006